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Claimant and

Party to California Public Utilities Commission Proceeding I.19-09-016 to Consider the Ratemaking and Other Implications of a Proposed Plan for Resolution of Voluntary Case filed by Pacific Gas and Electric Company, pursuant to Chapter 11 of the Bankruptcy Code, in the United States Bankruptcy Court, Northern District of California, San Francisco Division, In re Pacific Gas and Electric Corporation and Pacific Gas and Electric Company, Case No. 19- 30088.

Party to California Public Utilities Commission Proceeding I.15-08-019 to Determine whether Pacific Gas and Electric Company and PG&E's Corporation's Organizational Culture and Governance Prioritizes Safety

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION,

-and-

PACIFIC GAS AND ELECTRIC
COMPANY,

Debtors.

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

** All papers shall be filed in the lead case,
No. 19-30088 (DM)*

Bankr. Case No. 19-30088 (DM)
Chapter 11
(Lead Case)
(Jointly Administrated)

**WILLIAM B. ABRAMS JOINDER TO
AMENDED LIMITED OBJECTION
AND RESERVATION OF RIGHTS OF
THE OFFICIAL COMMITTEE OF
TORT CLAIMANTS TO MOTION OF
DEBTORS FOR ENTRY OF AN
ORDER APPROVING (I)
AGREEMENT AND SETTLEMENT
WITH PEOPLE OF THE STATE OF
CALIFORNIA AND (II) GRANTING
RELATED RELIEF [Dkt. No. 6418]**

Hearing: Telephonic Appearances Only

Date: April 14, 2020
Time: 10am PST
Place: Courtroom 17
450 Golden Gate Ave., 16th Floor
San Francisco, CA, 94102

1 **PLEASE TAKE NOTICE** that on April 9, 2020 the Official Tort Claimant Committee filed
2 the “Amended Limited Objection and Reservation of Rights of The Official Committee of Tort
3 Claimants to Motion of Debtors for Entry of an Order Approving (I) Agreement and Settlement with
4 People of the State of California and (II) Granting Related Relief” [Dkt. 6713]. Within that motion it
5 was stated that “*The TCC believes this double trust duplicative payment is an intentional move to*
6 *receive an improper advisory opinion from the Court that the definition of “Fire Claim” in the TCC*
7 *RSA, and the definition of “Fire Victim Claims” in the plan includes criminal fines and penalties.*”

8 **PLEASE TAKE FURTHER NOTICE** that I am in support of this amended objection. It is
9 clear that the debtors intend to alter this provision within the RSA in keeping with an overall attempt
10 to renegotiate and leverage the victim trust to protect Pacific Gas and Electric (PG&E) corporate and
11 investor interests. If the court permits this slight-of-hand, the debtors will surely continue to
12 misapply this language and hoist the growing number of fines and penalties onto the victim trust.
13 Given the demonstrated proclivity of PG&E to behave in a negligent way void of sound business
14 judgement, victims should expect further reductions of their trust with every transgression and
15 subsequent fine.

16 **PLEASE TAKE FURTHER NOTICE** that this repositioning of the fine from the victim
17 trust to the subrogation claims does not begin to go far enough in terms of remedy for the debtors.
18 The immorality and lack of ethical standards demonstrated by the debtors attempt to have victims pay
19 for their manslaughter charges is just one more reason why their plan of reorganization needs to
20 directly address these ethical lapses.

21 **PLEASE TAKE FURTHER NOTICE** that the Pacific Gas and Electric Corporation Code
22 of Conduct has not been updated since August, 2013. Please, also consider that Ms. Kane, Chief
23 Ethics and Compliance Officer has held her position since 2015 before these manslaughter charges,
24 before the 2017 PG&E North Bay Fires, before the 2018 PG&E Butte County Fires and before the
25 falsification of safety documents (euphemistically called “locate and mark”) as well as through many
26 other ethical/criminal lapses for the corporation. Please, also consider that under cross-examination
27 on March 2, 2020, Ms. Kane, PG&E Chief Ethics and Compliance Officer in response to my question
28 on whether or not the corporate code of ethics would be updated as part of their plan or

1 reorganization indicated “*It’s actually not something I have contemplated. I don’t know that others*
2 *are.*”¹

3
4 **PLEASE TAKE FURTHER NOTICE** that given this pattern of unethical corporate stances
5 the debtors have taken, it should be incumbent upon them as a condition of the bankruptcy process to
6 ensure that the plan of reorganization includes a complete rework of their corporate code of conduct
7 and associate business practices. These issues are currently NOT addressed anywhere in the plan of
8 reorganization. Furthermore, it is crystal clear that the leadership surrounding ethical decision-
9 making processes for the company needs to be overhauled. Simply stated, it cannot be an expectation
10 of the court that the issues associated with the criminal convictions including 85 counts of
11 manslaughter have been dealt with sufficiently through a simple reassignment of who pays the fine
12 from one claimant class to another. I strongly urge the court to not forego an opportunity to course
13 correct the debtors who have strayed so far from any sense of justice, fairness or corporate ethics.

14 Dated: April 10, 2020

17 Respectfully submitted,

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19 William B. Abrams

20 Claimant

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¹ See California Public Utilities Commission, Proceeding I.19-09-016, March 2, 2020 hearing, page 846